

ASSEMBLY BILL

No. 1406

**Introduced by Committee on Utilities and Commerce (Bradford
(Chair), Bonilla, Fong, Garcia, Quirk, Rendon, Skinner, and
Williams)**

March 13, 2013

An act to amend Section 399.11 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1406, as introduced, Committee on Utilities and Commerce. Energy: renewable energy resources.

Existing law establishes the California Renewables Portfolio Standard Program, which requires the Public Utilities Commission to implement annual procurement targets for the procurement of eligible renewable energy resources, as defined, for all retail sellers, as defined, to achieve the targets and goals of the program.

This bill would make a technical, nonsubstantive change to the program's legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 399.11 of the Public Utilities Code is
- 2 amended to read:
- 3 399.11. The Legislature finds and declares all of the following:
- 4 (a) ~~In order to~~ To attain a target of generating 20 percent of total
- 5 retail sales of electricity in California from eligible renewable

1 energy resources by December 31, 2013, and 33 percent by
2 December 31, 2020, it is the intent of the Legislature that the
3 commission and the Energy Commission implement the California
4 Renewables Portfolio Standard Program described in this article.

5 (b) Achieving the renewables portfolio standard through the
6 procurement of various electricity products from eligible renewable
7 energy resources is intended to provide unique benefits to
8 California, including all of the following, each of which
9 independently justifies the program:

10 (1) Displacing fossil fuel consumption within the state.

11 (2) Adding new electrical generating facilities in the
12 transmission network within the Western Electricity Coordinating
13 Council service area.

14 (3) Reducing air pollution in the state.

15 (4) Meeting the state's climate change goals by reducing
16 emissions of greenhouse gases associated with electrical generation.

17 (5) Promoting stable retail rates for electric service.

18 (6) Meeting the state's need for a diversified and balanced
19 energy generation portfolio.

20 (7) Assistance with meeting the state's resource adequacy
21 requirements.

22 (8) Contributing to the safe and reliable operation of the
23 electrical grid, including providing predictable electrical supply,
24 voltage support, lower line losses, and congestion relief.

25 (9) Implementing the state's transmission and land use planning
26 activities related to development of eligible renewable energy
27 resources.

28 (c) The California Renewables Portfolio Standard Program is
29 intended to complement the Renewable Energy Resources Program
30 administered by the Energy Commission and established pursuant
31 to Chapter 8.6 (commencing with Section 25740) of Division 15
32 of the Public Resources Code.

33 (d) New and modified electric transmission facilities may be
34 necessary to facilitate the state achieving its renewables portfolio
35 standard targets.

36 (e) (1) Supplying electricity to California end-use customers
37 that is generated by eligible renewable energy resources is
38 necessary to improve California's air quality and public health,
39 and the commission shall ensure rates are just and reasonable, and
40 are not significantly affected by the procurement requirements of

1 this article. This electricity may be generated anywhere in the
2 interconnected grid that includes many states, and areas of both
3 Canada and Mexico.

4 (2) This article requires generating resources located outside of
5 California that are able to supply that electricity to California
6 end-use customers to be treated identically to generating resources
7 located within the state, without discrimination.

8 (3) California electrical corporations have already executed,
9 and the commission has approved, power purchase agreements
10 with eligible renewable energy resources located outside of
11 California that will supply electricity to California end-use
12 customers. These resources will fully count toward meeting the
13 renewables portfolio standard procurement requirements. In
14 addition, there are nearly 7,000 megawatts of additional proposed
15 renewable energy resources located outside of California that are
16 awaiting interconnection approval from the Independent System
17 Operator. All of these resources, if procured, will count as eligible
18 renewable energy resources that satisfy the portfolio content
19 requirements of paragraph (1) of subdivision (c) of Section 399.16.